

Administrative Rule Fiscal Impact Statement

Date: 3/23/06

Agency: Department of Natural Resources

IAC Citation: IAC 567 –Chapter 68, Commercial Septic Tank Cleaners

Agency Contact: Brent Parker PE

Summary of the Rule: This rule change was precipitated by the passage of House File 834 during the 2005 Legislative session. The rules pertain to the cleaning and disposal of septage from septic tanks. The new rules will require septage management plans for licensure, land application site inspections and pumping equipment inspections. Fees for septic tank cleaners are increased significantly to provide the funds to contract with counties to perform these inspections. Licensure will stay with the department who will also review the septage management plans as part of the licensing process. Recordkeeping requirements are increased for septic tank cleaners and these records will be included in the septage management plans.

Fill in this box if the impact meets these criteria:

☒ No Fiscal Impact to the State.

☐ Fiscal Impact of less than \$100,000 annually or \$500,000 over 5 years.

☐ Fiscal Impact cannot be determined.

Brief Explanation:

The state will incur no direct costs. Licensing fees are to be placed in a dedicated account as provided for in HF834 and will be used to contract with counties to perform inspections.

Fill in the form below if the impact does not fit the criteria above:

☐ Fiscal Impact of \$100,000 annually or \$500,000 over 5 years.

* Fill in the rest of the Fiscal Impact Statement form.

Assumptions:

Describe how estimates were derived:

Estimated Impact to the State by Fiscal Year

	<u>Year 1 (FY)</u>	<u>Year 2 (FY)</u>
Revenue by Each Source:		
GENERAL FUND		
FEDERAL FUNDS		
Other (specify)	0	
		0
TOTAL REVENUE		
Expenditures:		
GENERAL FUND		
FEDERAL FUNDS		
Other (specify)		
	0	0
TOTAL EXPENDITURES		
NET IMPACT		

 x This rule is required by State law or Federal mandate.
Please identify the state or federal law: House File 834, 2005 Iowa Legislative session.

 x Funding has been provided for the rule change.
Please identify the amount provided and the funding source: The rules provide for licensing fee increases. These fees will be deposited in a dedicated account and will be used to contract with counties to perform the required inspections.

 Funding has not been provided for the rule.
Please explain how the agency will pay for the rule change:

Fiscal impact to persons affected by the rule:

Commercial Septic Tank Cleaners will see a significant increase in licensing fees. Currently these fees are \$25 annually. They are expected to increase to an average of \$500. An average is given because the law required fees based on amounts of septic land applied.

Homeowners with septic systems will also likely be impacted. Fees to pump septic tanks will increase to cover the cost of the increased licensing fees.

Fiscal impact to Counties or other Local Governments (required by Iowa Code 25B.6):

Counties will be asked to contract with the Department to perform inspections in their area. These inspections will be funded with the licensing fees. It is expected that the inspection costs will be fully offset by the fees paid to the county through these contracts.

* If additional explanation is needed, please attach extra pages.

Agency Representative preparing estimate: Daniel Olson
Telephone Number: 515-725-0346